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8 Attorneys for Plaintiff
9 SAN ANTONIO WINERY, INC.

10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12 SAN ANTONIO WINERY, INC., a
13 California corporation,

14 Plaintiff,

15 v.

16 TESTA ROSSA PHILADELPHIA,
17 LLC, a Pennsylvania limited liability
18 company, RED STAR ITALIAN,
19 LLC, a Pennsylvania limited liability
20 company and DOES 1-10, Inclusive,

21 Defendants.
22
23
24

Case No.

COMPLAINT FOR DAMAGES
AND INJUNCTION:

1. TRADEMARK INFRINGEMENT
2. FALSE DESIGNATION OF ORIGIN
3. COMMON LAW TRADEMARK INFRINGEMENT
4. COMMON LAW UNFAIR COMPETITION
5. BREACH OF SETTLEMENT AGREEMENT

REQUEST FOR JURY TRIAL

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1 Plaintiff San Antonio Winery, Inc., through its attorneys Leech Tishman
2 Fuscaldo Lampl, alleges as follows:

3 **THE PARTIES**

4 1. Plaintiff San Antonio Winery, Inc. (“Plaintiff” or “San Antonio”) is a
5 corporation duly organized and existing under the laws of the State of California and
6 has its principal place of business within the City and County of Los Angeles in the
7 State of California.

8 2. Upon information and belief, Defendant Testa Rossa Philadelphia, LLC
9 (“Testa Rossa”) is a limited liability company organized under the laws of
10 Pennsylvania with a principal place of business at 929 Walnut Street, Philadelphia,
11 Pennsylvania.

12 3. Upon information and belief, Defendant Red Star Italian, LLC (“Red
13 Star”) is a Pennsylvania limited liability company with a principal place of business
14 at 929 Walnut Street, Philadelphia, Pennsylvania.

15 4. True names and capacities of Defendants sued herein as DOES 1
16 through 10, inclusive, are unknown to Plaintiff and therefore Plaintiff sues these
17 Defendants by these fictitious names. Plaintiff will amend this complaint to allege
18 their true names and capacities when ascertained.

19 5. Plaintiff is informed and believes and thereon alleges that each of the
20 fictitiously named Defendants are responsible in some manner for the occurrences
21 herein alleged, and that Plaintiff’s damages as herein alleged were proximately
22 caused by those Defendants.

23 6. Plaintiff is informed and believes and on that basis alleges that at all
24 times mentioned in this Complaint, Testa Rossa, Red Star and Does 1-10
25 (collectively, the “Defendants”) were the agents, servants and employees of their Co-
26 Defendants, and in doing the things set forth in this Complaint were acting within the
27 scope of their authority as such agents, servants and employees, and with the
28 permission and consent of their Co-Defendants. Moreover, Plaintiff is informed and

believes, and on that basis alleges, that each Defendant ratified the acts of his/her/its Co-Defendants, as more particularly alleged in this Complaint.]

JURISDICTION AND VENUE

7. The Court has original jurisdiction over this action under 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338(a) in that this case arises under the trademark laws of the United States, 15 U.S.C. §§ 1051, et seq. This Court also has original jurisdiction over this action under 15 U.S.C. § 1338(b) in that it asserts a claim for unfair competition that is joined with a substantial and related trademark claim. This Court has supplemental jurisdiction over the non-federal claims set forth herein under 28 U.S.C. § 1367 in that those claims are so related to the federal claims that they form part of the same case or controversy.

8. This Court has personal jurisdiction over Defendants Testa Rossa and Red Star and venue is proper in this district based upon consent of the parties, as provided in paragraph 22 of an Executed Settlement Agreement, a true and correct of which is provided as Exhibit “A” (“Settlement Agreement”) which states:

“This Agreement and any and all disputes arising out of or related to this Agreement or to the Parties’ uses of their respective marks in the United States shall be governed by the laws of the State of California without regard to conflict of law principles that would require application of the laws of another jurisdiction. Moreover, any future action between the parties in the United States arising out of or relating to this Agreement or the Action shall be commenced in, and be decided by, the federal or state courts, as appropriate, located in the County of Los Angeles.”

SAN ANTONIO AND ITS TRADEMARKS

9. San Antonio is a family owned corporation that is engaged in, among other things, the production, sale and nationwide distribution of wines and bistro services. It has been in business since 1917 and, over the years, its wines have won

1 numerous wine competition awards.

2 10. San Antonio is the owner of several well-known trademarks, including
3 but not limited to, the word mark STELLA ROSA (the “STELLA ROSA Word
4 Mark”) and a combination mark and design consisting of the words STELLA ROSA
5 in stylized format below a crown (the “STELLA ROSA Design Mark”), and the
6 STELLA ROSSO Word Mark. San Antonio commenced using the STELLA ROSA
7 Word Mark and the STELLA ROSA Design Mark in commerce in the United States
8 at least as early as September 2004 in connection with the sale and offer for sale of
9 wines. San Antonio has used both marks in connection with such goods
10 continuously from the time it adopted them until the present.

11 11. The STELLA ROSA Word Mark is the subject of U.S. federal
12 trademark registration no. 4,000,417 (the “‘417 Registration”), a true and correct
13 copy of which is attached as Exhibit “B”. The ‘417 Registration was issued by the
14 U.S. Patent and Trademark Office (“PTO”) on July 26, 2011 for use in connection
15 with wine.

16 12. The STELLA ROSA Design Mark is the subject of U.S. federal
17 trademark registration no. 3,663,013 (the “‘013 Registration”), a true and correct
18 copy of which is attached as Exhibit “C”. The ‘013 Registration was issued by the
19 PTO on August 4, 2009 for use in connection with wines.

20 13. The STELLA ROSSO Word Mark is the subject of U.S. federal
21 trademark registration no. 4,243,490 (the “‘490 Registration”), a true and correct
22 copy of which is attached as Exhibit “D”. The ‘490 Registration was issued by the
23 U.S. Patent and Trademark Office (“PTO”) on November 13, 2012 for use in
24 connection with wine.

25 14. The STELLA ROSA Word Mark is the subject of U.S. federal
26 trademark registration no. 4,621,690 (the “‘690 Registration”), a true and correct
27 copy of which is attached as Exhibit “E”. The ‘690 Registration was issued by the
28 U.S. Patent and Trademark Office (“PTO”) on October 14, 2014 for use in

1 connection with jellies and sauces.

2 15. The STELLA ROSA Word Mark is the subject of U.S. federal
3 trademark registration no. 4,522,059 (the “‘059 Registration”), a true and correct
4 copy of which is attached as Exhibit “F.” The ‘059 Registration was issued by the
5 U.S. Patent and Trademark Office (“PTO”) on April 29, 2014 for use in connection
6 with bistro services.

7 16. The STELLA ROSA Word Mark is the subject of U.S. federal
8 trademark registration no. 4,575,423 (the “‘423 Registration”), a true and correct
9 copy of which is attached as Exhibit “G.” The ‘423 Registration was issued by the
10 U.S. Patent and Trademark Office (“PTO”) on July 29, 2014 for use in connection
11 with clothing, hats and shirts.

12 17. The STELLA ROSA Word Mark is the subject of U.S. federal
13 trademark registration no. 4,636,301 (the “‘301 Registration”), a true and correct
14 copy of which is attached as Exhibit “H.” The ‘301 Registration was issued by the
15 U.S. Patent and Trademark Office (“PTO”) on November 11, 2014 for use in
16 connection with lip balm, metal key chains, cocktail shakers and ice buckets.

17 18. These registrations constitute prima facie evidence of the validity of the
18 STELLA ROSA Word Mark, STELLA ROSSO Word Mark and the STELLA
19 ROSA Design Mark, of San Antonio’s ownership of those marks, and of San
20 Antonio’s exclusive right to use these in connection with the goods specified in those
21 registrations and in connection with related goods and services.

22 19. These marks are collectively referred to as the “San Antonio Stella
23 marks.”

24 20. San Antonio has used the San Antonio Stella marks to identify its goods
25 and services and to distinguish them from the goods and services made and sold or
26 offered by others by, among other things, prominently displaying the mark on its
27 products, on its Internet website and on advertising materials promoting its goods. In
28 the past two years alone, San Antonio’s advertising expenditures to promote goods

1 bearing the San Antonio Stella marks have totaled approximately \$3.5 million.
2 Currently, San Antonio's sales of wines under the San Antonio Stella marks exceed
3 \$45 million annually.

4 21. The presence of the San Antonio Stella marks for San Antonio's goods
5 indicates to the public that goods and services provided under the San Antonio Stella
6 marks originate with, or are provided by, San Antonio. San Antonio adheres to strict
7 quality standards in the manufacture of its wines. Thus, the consuming public has
8 come to associate the San Antonio Stella marks with wines and other goods and
9 services of high quality. As a consequence of all of the foregoing, the San Antonio
10 Stella marks have attained considerable value and the goodwill associated with them
11 represents a valuable business asset.

12 **THE DEFENDANTS' ACTIVITIES**

13 22. San Antonio is informed and it believes, and based thereon it alleges,
14 that the Defendants are offering to provide, and are providing restaurant services,
15 including sale of wine, using the mark Stella Rossa. Not only are such uses
16 infringement of the San Antonio Stella marks, but also breach of the Settlement
17 Agreement.

18 23. Defendants by their continued use of the STELLA ROSSA mark with
19 notice of San Antonio's prior rights, and in breach of the Settlement Agreement, are
20 attempting to usurp for itself the goodwill that San Antonio has built up in the
21 STELLA ROSA Marks. Such continued use is willful, malicious, oppressive, and
22 fraudulent.

23 24. By reason of Defendants' acts, as alleged herein, San Antonio has
24 suffered damage to its business, reputation and goodwill, including attorney fees
25 incurred in enforcing the terms of the Settlement Agreement.

26 25. Defendants' acts have caused and will continue to cause irreparable and
27 immediate injury to San Antonio for which San Antonio has no adequate remedy at
28 law. Unless Defendants are restrained by this Court from continuing its unauthorized

1 use of Stella Rosso, these injuries will continue to occur.

2
3 **FIRST CLAIM FOR RELIEF**

4 **(For Trademark Infringement – 15 U.S.C. § 1114(1))**

5 26. San Antonio repeats and re-alleges paragraphs 1 through 25, as though
6 fully set forth in this paragraph.

7 27. The San Antonio Stella marks are owned by San Antonio and San
8 Antonio has continuously used Stella Rossa in commerce since at least as early as
9 September 2004. San Antonio has never authorized or consented to Defendants' use
10 of any mark which is the same as, is confusingly similar to, or constitutes a colorable
11 imitation of the San Antonio Stella marks in commerce in connection with its
12 products or services.

13 28. Defendants' actions, as alleged above, are likely to cause confusion,
14 mistake or deception in violation of Section 32(1) of the Lanham Act, 15 U.S.C. §
15 1114(1).

16 29. Defendants' acts have been undertaken with full knowledge of San
17 Antonio's rights in and to at least two of the San Antonio Stella marks and with the
18 willful and deliberate intent to cause confusion, mistake and deception among
19 members of the relevant public and to trade on the goodwill associated with the San
20 Antonio Stella marks.

21
22 **SECOND CLAIM FOR RELIEF**

23 **(For False Designation of Origin – 15 U.S.C. §1125(a))**

24 30. San Antonio repeats and re-alleges paragraphs 1 through 25 and 27
25 through 29 as though fully set forth in this paragraph.

26 31. The San Antonio Stella marks are owned by San Antonio and San
27 Antonio has continuously used them in commerce for many years. San Antonio has
28 not authorized or consented to Defendants' use of the San Antonio Stella marks or of

1 any similar marks or names in connection with its products or services beyond usage
2 permitted by the Settlement Agreement.

3 32. Defendants' actions, as alleged above, are likely to cause confusion,
4 mistake or deception as to the affiliation, connection or association of the Defendants
5 with San Antonio, or as to the origin, sponsorship or approval of Defendants'
6 products or services by San Antonio in violation of Section 43(a) of the Lanham Act,
7 15 U.S.C. § 1125(a).

8 33. San Antonio is informed and it believes and, based thereon it alleges
9 that Defendants' acts have been undertaken with full knowledge of San Antonio's
10 rights in and to the San Antonio Stella marks and with the willful and deliberate
11 intent to cause confusion, mistake and deception among members of the relevant
12 public and to trade on the goodwill associated with those marks.

13 34. Defendants' acts have caused and will continue to cause irreparable and
14 immediate injury to San Antonio for which San Antonio has no adequate remedy at
15 law. Unless Defendants are restrained by this Court from continuing its unauthorized
16 use of marks, words and symbols that are confusingly similar to the STELLA ROSA
17 Marks, these injuries will continue to occur.

18
19 **THIRD CLAIM FOR RELIEF**

20 **(For Common Law Trademark Infringement)**

21 35. San Antonio repeats and re-alleges paragraphs 1 through 25, 27 through
22 29 and 31 through 34 as though fully set forth in this paragraph.

23 36. On information and belief, the Defendants' actions, as described above,
24 constitute conduct that is willful, malicious and so careless as to indicate a wanton
25 disregard for the intellectual property rights of San Antonio. Further, the
26 Defendants' acts, as alleged above, constitute conduct that is so outrageous as to
27 demonstrate willfulness, wantonness or recklessness in that they have been
28 undertaken with a conscious disregard of San Antonio's intellectual property rights

1 and with a desire to injure San Antonio's business and to improve its own.

2
3 **FOURTH CLAIM FOR RELIEF**

4 **(Common Law Unfair Competition)**

5 37. San Antonio repeats and re-alleges paragraphs 1 through 25, 27 through
6 29, 31 through 34 and 36 as though fully set forth in this paragraph.

7 38. The above-described acts of Defendants constitute common law unfair
8 competition in that Defendants are attempting to pass off its goods and services as
9 those of San Antonio. Such acts have caused and will continue to cause irreparable
10 and immediate injury to San Antonio for which San Antonio has no adequate remedy
11 at law. Unless Defendants are restrained by this Court from continuing the acts
12 alleged herein, these injuries will continue to occur.

13 39. On information and belief, the Defendants' actions, as described above,
14 constitutes conduct which is willful, malicious and so careless as to indicate a
15 wanton disregard for the intellectual property rights of San Antonio. Further, the
16 Defendants' acts, as alleged above, constitute conduct which is so outrageous as to
17 demonstrate willfulness, wantonness or recklessness in that they have been
18 undertaken with a conscious disregard of San Antonio's intellectual property rights
19 and with a desire to injure San Antonio's business and to improve its own.

20
21 **FIFTH CLAIM FOR RELIEF**

22 **(Breach of Settlement Agreement)**

23 40. San Antonio repeats and re-alleges paragraphs 1 through 25 as though
24 fully set forth in this paragraph.

25 41. Plaintiff and Defendants Testa Rossa and Red Star, entered into the
26 Settlement Agreement, effective as of March 7, 2014, which is incorporated by
27 reference.

28 42. According to Paragraph 1 of the Settlement Agreement, there was a

1 Phase-Out Period between the Effective Date and September 7, 2014. Defendants
2 Testa Rossa and Red Star agreed to phase out its use of the term STELLA ROSSA
3 during the Phase-Out Period and to phase in its use of a different mark (the
4 “Replacement Mark”) in connection with restaurant and wine bar services. The
5 Settlement Agreement specifically states:

6 3. Following the Phase-Out Deadline, Stella Rossa (Testa Rossa and
7 Red Star) shall not use the term STELLA ROSSA, its phonetic
8 equivalent, or any confusingly similar term, alone or in combination
9 with other words or symbols in connection with restaurant and bar
10 services and/or any related goods and services.

11 4. Following the Phase-Out Deadline, Stella Rossa shall not register or
12 use any domain name in connection with its business that includes the
13 term STELLA and the term ROSSA (or ROSA) or their phonetic
14 equivalents in combination, including (by way of example and not
15 limitation) the domain names STELLAROSSARISTORANTE.COM,
16 STELLAROSSARESTAURANT.COM and STELLA-ROSSA.COM
17 and the like. Following the Phase-Out Deadline, Stella Rossa shall also:

18 (a) Refuse to renew registration of the domain name
19 STELLAROSSARISTORANTE.COM which is expected to expire on
20 March 16, 2015, and shall not assist any person, entity or association
21 affiliated therewith to register the domain name and any and all other
22 domain names it then owns or controls, that include the term STELLA
23 and the term ROSSA (or ROSA) or their phonetic equivalents;

24 43. Plaintiff has performed all conditions, covenants, and promises required
25 on its part to be performed in accordance with the terms and conditions of the
26 Settlement Agreement.

27 44. However, Defendants Testa Rossa and Red Star breached the Settlement
28 Agreement such as by continuing to use Stella Rossa Ristorante beyond the phase out

1 period, at least at one restaurant and on their web page.

2 a) As an example of such breach, at least one restaurant sign reads “Stella
3 Rossa.” A true and correct copy of a photograph taken on or about September
4 4, 2015 of the restaurant sign showing its use of the term STELLA ROSSA is
5 attached as Exhibit “I.”

6 b) As another example of breach, Defendants breached the Settlement
7 Agreement by adding the term “formerly known as Stella Rossa” to their web
8 page. True and correct copies of screen shots showing Defendants’ use of
9 “Stella Rossa,” are attached to this Complaint as Exhibit “J.”

10 c) Defendants also breached the settlement Agreement by renewing the
11 domain name stellarossaristorante.com, which they continue to use and
12 redirect to the web page of exhibit J.

13 45. As a result of Defendants breach of the Settlement Agreement, as
14 alleged herein, San Antonio has suffered damage to its business, reputation and
15 goodwill and the loss of profits and sales it would have made but for Defendants’
16 conduct.

17 46. Defendants’ breach of the Settlement Agreement have caused and will
18 continue to cause irreparable and immediate injury to San Antonio for which San
19 Antonio has no adequate remedy at law. Unless Defendants are restrained by this
20 Court from continuing its unauthorized use of marks, words and symbols that are
21 confusingly similar to the STELLA ROSA Marks, these injuries will continue to
22 occur.

23
24 **PRAYER FOR RELIEF**

25 WHEREFORE, San Antonio prays for relief as follows:

26 1. For an order permanently enjoining Defendants and Defendants’
27 officers, agents, employees and representatives, and all those acting in concert or
28 conspiracy with it from:

- a. Using any mark or designation that makes use of the term STELLA ROSA or any permutation of that term, whether alone or in combination with other words, characters or symbols in connection with the sale, offer for sale, promotion or advertising of any products and/or services that are the same as, or are related to, San Antonio's goods;
- b. Instructing or directing any third parties to prepare print advertising, flyers, containers, labels or packaging bearing the term STELLA ROSA or any permutation of that term, whether alone or in combination with other words, characters or symbols for use in connection with the sale, offer for sale, promotion or advertising of any products and/or services that are the same as, or are related to, San Antonio's goods;
- c. Imitating, copying, making unauthorized use of, or otherwise infringing, Plaintiff's rights in and to the STELLA ROSA mark;

2. For an order directing the Defendants to deliver up for destruction all menus, products, labels, boxes, signs, prints, packages, wrappers, and artwork in its possession, or under its control, bearing or intended to bear the term STELLA ROSA or any permutation of that term, whether alone or in combination with other words, characters or symbols;

3. For an order pursuant to 15 U.S.C. § 1125(c)(1) permanently enjoining Defendants and Defendants' officers, agents, employees, and all those acting in concert or conspiracy with it from making use of the STELLA ROSSA mark or any other mark that contains the term STELLA ROSSA or any phonetic equivalent of that mark in connection with restaurant and bar services and/or the sale of wines, including as part of a domain name;

4. For a monetary award in favor of San Antonio in an amount equal to (i) San Antonio's actual damages and (ii) to the extent not included in actual damages, the Defendants' profits arising from the acts alleged above, such damages and profits to be trebled under 15 U.S.C. § 1117(a);

1 5. For a finding that this is an exceptional case within the meaning of, and
2 for an award of attorneys' fees pursuant to, 15 U.S.C. § 1117(a);

3 6. For a finding that the Defendants' acts of infringement were willful
4 within the meaning of 15 U.S.C. § 1117(c)(2);

5 7. For an award of pre-judgment interest and post-judgment interest in the
6 maximum amount permitted by law;

7 8. For a finding that the Defendants' acts were undertaken willfully,
8 maliciously and so carelessly as to indicate a wanton disregard for the intellectual
9 property rights of San Antonio and that the Defendants' acts constitute conduct
10 which is so outrageous as to demonstrate willfulness, wantonness or recklessness in
11 that they were undertaken with a conscious disregard of San Antonio's common law
12 trademark rights and for an award of exemplary damages in an amount sufficient to
13 punish, deter, and make an example of Defendants for the acts complained of herein;

14 9. For an award of costs under 15 U.S.C. § 1117(a), or as otherwise
15 provided by law; and

16 10. For such other and further relief as the court deems just and proper.
17

18 DATED: September 11, 2015 Respectfully submitted,

19 LEECH TISHMAN FUSCALDO & LAMPL LLP
20

21 By: /s/Jeffrey G. Sheldon

22 Jeffrey G. Sheldon

23 Attorneys for Plaintiff,
24 SAN ANTONIO WINERY, INC.
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REQUEST FOR JURY TRIAL

San Antonio requests a trial by jury of all which may properly be tried to a jury.

DATED: September 11, 2015 Respectfully submitted,

LEECH TISHMAN FUSCALDO & LAMPL LLP

By: /s/Jeffrey G. Sheldon

Jeffrey G. Sheldon

Attorneys for Plaintiff,
SAN ANTONIO WINERY, INC.